From: Richard.Karney@EE.DOE.GOV
Sent: Friday, April 25, 2003 2:43 PM

To: Raymond McGowan Cc: Lee Bodner

Subject: Energy Star (R) Labeling Potential for Water Heaters

For the files.

---- Forwarded by Richard Karney/EE/DOE on 04/25/2003 02:47 PM ----

"John Confrey"

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Subject: Energy Star (R)

Labeling Potential for Water Heaters 04/25/2003 02:42

PΜ

Mr. Karney,

I have just finished reading the "Energy Star ® Labeling Potential for Water Heaters" paper, and would like to provide a few comments.

First of all, let me give you a little bit of my history: I have been working in product development for several years at multiple gas instantaneous water heater manufacturers. Currently, I reside as the Product Development and Marketing Manager for the American division of Noritz Corporation, the largest instantaneous water heater manufacturer in the world. I have dedicated myself to creating a place for these products in the American market, because I believe strongly that in a future where our resources will become more and more limited, we will become more and more dependent on products that utilize our resources in the most efficient way. For these same reasons, I give praise to the Energy Star ® program, which seeks to identify and reward those products which exemplify the highest standards of efficiency.

That being said, I ask that you give me the chance to provide some feedback on the proposed water heater guidelines for Energy Star ® labeling specifically of instantaneous water heaters:

It seems that the trend in the industry is to hold instantaneous water heaters to a different standard than storage water heaters. I understand that since instantaneous water heaters heat differently than storage tanks, tests designed for tanks may need to be somewhat modified to apply to instantaneous. However, I believe that the spirit of the Energy Star ® labeling program is to promote products which seek to better the way we live by wasting resources less. Instantaneous water heaters are by their nature more energy efficient than tank type water heaters. It seems to me to contradict the spirit of the Energy Star ® labeling system to punish a product for being by nature more efficient. After all, although it may produce hot water in a different way, an instantaneous water heater is still a water heater, and at least in the case of efficiency,

should be held to the same standards as other water heaters. To me it is like rewarding an automobile that gets 20 miles to the gallon with a V8 engine, while ignoring one that gets 30 miles to the gallon simply because it uses a four cylinder engine. The question should simply be how much fuel does the product use to produce the hot water demanded. Instantaneous water heaters should be praised instead of punished for being by nature more fuel efficient.

Further, I have some other items for your consideration:

In my experience with instantaneous water heaters, thermal efficiency is generally 1% (.01) higher than the energy factor. Requiring an energy factor of .82 puts the thermal efficiency requirement up to 83%, which will cause increased condensation in the venting. Condensation in the venting is a problem that can be dealt with, but it would make the product slightly less environmentally friendly.

Finally, I ask you to look at the discrepancy in the difference between the federal minimum energy factor and common energy star energy factor for the four types of products that are being proposed. For electric storage tanks, gas storage and oil storage tanks, the difference between the federal minimum and the energy star for a common size is no more than .04. For gas instantaneous water heaters, this difference is .2, or five times as much. Again, instantaneous heaters seem to be getting punished for being by their nature more fuel efficient.

I am genuinely excited at the prospect for a system being in place to rate water heaters for Energy Star ® labeling. However, I feel that holding instantaneous water heaters to a higher standard than storage tank water heaters will be detrimental to the growth in usage of these highly efficient products, which seems to go contrary to Energy Star's ® intent.

Thank you for your time and consideration. If you would like to discuss any of these points with me, or if there is any other information that I can give you, please contact me at (866) 7-NORITZ, or reply to this email message.

Sincerely,

John Confrey

Product Development and Marketing Manager Noritz America Corporation